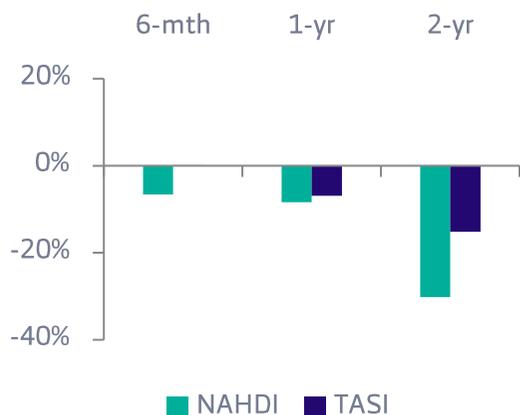


Market Data	
52-week high/low	SAR 132.1 / 91.0
Market Cap	SAR 13,468 mln
Shares Outstanding	130 mln
Free-float	30%
12-month ADTV	237,551
Bloomberg Code	NAHDI AB



Free Cash Flow Lower, Adjusting Expectations

March 24, 2026

Upside to Target Price	11.0%	Rating	Buy
Expected Dividend Yield	5.4%	Last Price	SAR 103.60
Expected Total Return	16.4%	12-mth target	SAR 115.00

NAHDI	4Q2025	4Q2024	Y/Y	3Q2025	Q/Q	RC Estimate
Sales	2,589	2,363	10%	2,461	5%	2,500
Gross Profit	955	875	9%	941	2%	943
Gross Margins	37%	37%		38%		38%
Operating Profit	208	192	8%	188	11%	182
Net Profit	176	158	11%	161	9%	155

(All figures are in SAR mln)

- NAHDI recorded revenues of SAR 2.6 bln, in-line with our estimate of SAR 2.5 bln, an increase of +10% Y/Y and +5% Q/Q. Gross profit results were also positive, increasing by +9% and +2%, Y/Y and Q/Q, respectively. Higher gross profits were driven primarily by higher revenues; while gross margins remained stable Y/Y. We also note, growth in other segments of the Company showed continued momentum, with both the UAE business (+25%) and the Healthcare business (+66%) growing by double-digits Y/Y.
- Despite positive Y/Y growth in topline and gross profits in 4Q25, gross margins still shed roughly -15 bps, not severe, but still worth noting. Operating Income moved higher +8% Y/Y and +11% Q/Q, coming in at SAR 208 mln. NAHDI also posted a net profit of SAR 176 mln in 4Q25, up +9% Q/Q and +11% Y/Y. We also note, that Q/Q changes were likely driven by seasonal consumption patterns in the retail business.
- NAHDI still has a liquid balance sheet, with no debt (excluding leases) and ample cash. Despite steady growth in several categories, conservative balance sheet management, and resilient free cash flows, NAHDI's stock price has declined over the last two years. In our view, margins appear resilient, in spite of competition, however, with free cash flow slightly lower Y/Y and noting previous share price performance, we reduce our target price and maintain our rating.

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■ Stock Rating

Buy	Neutral	Sell	Not Rated
Expected Total Return Greater than +15%	Expected Total Return between -15% and +15%	Expected Total Return less than -15%	Under Review/ Restricted

The expected percentage returns are indicative, stock recommendations also incorporate relevant qualitative factors

For any feedback on our reports, please contact research@riyadcapital.com

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